

MINUTE ITEM

5/26/66

24. REJECTION OF BID FOR OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, VENTURA COUNTY - W.O. 5931 (PARCEL 31).

After consideration of Calendar Item 10 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6836 OF THE PUBLIC RESOURCES CODE, DETERMINES THAT TO ACCEPT THE BID MADE BY SOCONY MOBIL OIL COMPANY, INC., ON MARCH 10, 1966, FOR A LEASE FOR THE EXTRACTION OF OIL AND GAS FROM 5,546 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5931 (PARCEL 31), VENTURA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 5931, PUBLISHED DECEMBER 23, 1965, AND DECEMBER 30, 1965, IS NOT FOR THE BEST INTERESTS OF THE STATE, AND THAT THE BID BE REJECTED.

Attachment

Calendar Item 10 (1 page)

10.

REJECTION OF BID FOR OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, VENTURA COUNTY - W.O. 5931 (PARCEL 31).

Action on this item was deferred by the Commission on April 18, 1966, at the request of Socony Mobil Oil Company, Inc., in order to provide Mobil with an opportunity to furnish additional data upon which a recommendation for acceptance might be made.

On March 10, 1966, one bid was received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of oil and gas from 5,546 acres more or less of tide and submerged lands designated as W.O. 5931 (Parcel 31), Ventura County. This lease offer was authorized by the Commission on December 16, 1965 (Minute Item 35, page 12,061).

The cash bonus payment offered in the bid submitted by Socony Mobil Oil Company, Inc., was \$59,175.85. The bid was reviewed by the staff as to technical sufficiency and economic factors. Subsequent additional data submitted by Socony Mobil Oil Company, Inc., has also been reviewed. Section 6836 of the Public Resources Code provides that if, in the opinion of the Commission, the acceptance of the highest bid is not for the best interests of the State, the Commission may reject all bids.

IT IS RECOMMENDED THAT THE COMMISSION, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6836 OF THE PUBLIC RESOURCES CODE, DETERMINE THAT TO ACCEPT THE BID MADE BY SOCONY MOBIL OIL COMPANY, INC., ON MARCH 10, 1966, FOR A LEASE FOR THE EXTRACTION OF OIL AND GAS FROM 5,546 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5931 (PARCEL 31), VENTURA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 5931, PUBLISHED DECEMBER 23, 1965, AND DECEMBER 30, 1965, IS NOT FOR THE BEST INTERESTS OF THE STATE, AND THAT THE BID BE REJECTED.